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中国南方航空股份有限公司
CHINA SOUTHERN AIRLINES COMPANY LIMITED

(a joint stock limited company incorporated in the People's Republic of China with limited liability)

(Stock Code: 1055)

FIRST QUARTERLY REPORT OF 2025

SUMMARY

The quarterly financial report for the first quarter of 2025 (i.e. the three months ended 31 March 2025, the “**reporting period**”) of China Southern Airlines Company Limited (the “**Company**”, together with its subsidiaries, the “**Group**”) was prepared in accordance with the PRC Accounting Standards and was unaudited.

This announcement is published pursuant to Rule 13.09 and Rule 13.10B of the Rules Governing the Listing of Securities on The Stock Exchange of Hong Kong Limited.

IMPORTANT NOTICE:

The board of directors (the “**Board**”) and the supervisory committee of China Southern Airlines Company Limited (the “**Company**”) and its directors (the “**Directors**”), supervisors and senior management warrant the truthfulness, accuracy and completeness of the content contained in this quarterly report, and the report does not contain inaccurate or misleading statements or material omission, and jointly and severally accept full legal responsibility.

The responsible person of the Company, Mr. Ma Xu Lun (Chairman), the responsible person of the accounting of the Company, Mr. Chen Dong (Executive Vice President, Chief Accountant and Chief Financial Officer of the Company), and the responsible person of the accounting department, Ms. Mao Juan (General Manager of Finance Department) warrant the truthfulness, accuracy and completeness of the financial statements contained in this quarterly report.

Whether the First Quarterly Financial Statements have been audited

☐ Yes ☒ No

I. MAJOR ACCOUNTING DATA

(I) Principal accounting data and financial indicators

Unit: Million Currency: RMB

Items	The reporting period	The corresponding period last year	Change as compared with the corresponding period last year (%)
Operating income	43,407	44,601	-2.68
Net profit attributable to shareholders of the Company	-747	756	N/A
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	-1,160	546	N/A
Net cash flows generated from operating activities	4,432	9,777	-54.67
Basic earnings per share (<i>RMB/share</i>)	-0.04	0.04	N/A
Diluted earnings per share (<i>RMB/share</i>)	-0.05	0.04	N/A
Weighted average return on net assets (%)	-2.17	2.03	N/A
	As at the end of the reporting period	As at the end of last year	Change as compared with that of the end of last year (%)
Total assets	330,243	329,738	0.15
Equity attributable to shareholders of the Company	33,982	34,729	-2.15

(II) Non-recurring gains and losses

Unit: Million Currency: RMB

Items	Amount for the reporting period
Gains or losses on disposal of non-current assets	14
Government grants recorded in profit or loss for the current period, but exclusive of government grants which are closely related to the normal business of the company, compliant with national policy regulations, received in accordance with established standards, and having a continuous impact on the company's profit or loss	1
In addition to valid hedging business related to the company's normal operating business, the fair value change gains and losses arising from the holding of financial assets and financial liabilities, as well as the gains and losses from the disposal of financial assets and financial liabilities, by non-financial enterprises	412
Other non-operating income and expenses other than the above	101
Less: Effect of income tax	101
Effect on non-controlling interests after taxation	14
Total	413

The Company shall explain the reasons for recognizing items not listed in “The No. 1 Explanatory Announcement Regarding Information Disclosure for Companies Issuing Securities Publicly – Non- Recurring Gains and Losses” as non-recurring gains and losses items with significant amounts, as well as the reasons for defining any non-recurring gains and losses items as listed in the “The No. 1 Explanatory Announcement Regarding Information Disclosure for Companies Issuing Securities Publicly – Non- Recurring Gains and Losses” as recurring gains and losses items.

☐ Applicable ☒ Not applicable

(III) Changes to major accounting data and financial indicators and reasons

✓ Applicable

☐ Not applicable

Items	Percentage of change (%)	Main reason(s)
Net profit attributable to shareholders of the Company	N/A	Compared with the same period last year, the year-on-year decline in performance during the current reporting period is primarily attributable to multiple factors including shifts in traveler demographics, competitive pressures from high-speed rail networks, global supply chain constraints, and Renminbi depreciation.
Net profit attributable to shareholders of the Company after deducting non-recurring gains and losses	N/A	Compared with the same period last year, the year-on-year decline in performance during the current reporting period is primarily attributable to multiple factors including shifts in traveler demographics, competitive pressures from high-speed rail networks, global supply chain constraints, and Renminbi depreciation.
Net cash flows generated from operating activities	-54.67	Compared with the same period last year, as production volume increased, cash paid for the purchase of goods and receipt of services rose, with the year-on-year increase exceeding that of cash inflows.
Basic earnings per share (<i>RMB/share</i>)	N/A	Compared with the same period last year, the year-on-year decline in performance during the current reporting period is primarily attributable to multiple factors including shifts in traveler demographics, competitive pressures from high-speed rail networks, global supply chain constraints, and Renminbi depreciation.
Diluted earnings per share (<i>RMB/share</i>)	N/A	Compared with the same period last year, the year-on-year decline in performance during the current reporting period is primarily attributable to multiple factors including shifts in traveler demographics, competitive pressures from high-speed rail networks, global supply chain constraints, and Renminbi depreciation.
Weighted average return on net assets (%)	N/A	Compared with the same period last year, the year-on-year decline in performance during the current reporting period is primarily attributable to multiple factors including shifts in traveler demographics, competitive pressures from high-speed rail networks, global supply chain constraints, and Renminbi depreciation.

II. INFORMATION OF SHAREHOLDERS

(I) Total number of ordinary shareholders and number of preference shareholders with restored voting rights and shareholdings of the top ten shareholders

Unit: Share

Total number of ordinary shareholders as at the end of the reporting period	150,753	Total number of preference shareholders with restored voting rights as at the end of the reporting period (if any)			Not applicable	
Shareholdings of the top ten shareholders						
Name of shareholder	Capacity of shareholder	Total number of shares held	Shareholding percentage (%)	Number of shares subject to trading restrictions	Status of pledged, marked or frozen shares	
					Status of shares	Number of shares
China Southern Air Holding Company Limited	State-owned legal entity	9,404,468,936	51.90	803,571,428	No	0
Nan Lung Holding Limited	State-owned legal entity	2,612,124,036	14.41	0	No	0
HKSCC Nominees Limited	Overseas legal entity	1,751,174,587	9.66	0	Not known	–
Hong Kong Securities Clearing Company Limited	Overseas legal entity	584,486,673	3.23	0	No	0
China Securities Finance Corporation Limited	State-owned legal entity	320,484,148	1.77	0	No	0
American Airlines, Inc.	Overseas legal entity	270,606,272	1.49	0	No	0
China National Aviation Fuel Group Limited	State-owned legal entity	261,685,354	1.44	0	No	0
Spring Airlines Co., Ltd.	Domestic non-State-owned legal entity	140,531,561	0.78	0	No	0
Industrial and Commercial Bank of China Limited– Huatai PineBridge CSI 300 Traded Open-end Index Securities Investment Fund	Other	88,330,949	0.49	0	No	0
China Construction Bank Corporation – E FUND CSI 300 Trading Open Index Sponsored Securities Investment Fund	Other	61,810,822	0.34	0	No	0

Particulars of the top ten shareholders not subject to trading restrictions			
Name of shareholder	Number of tradable shares not subject to selling restrictions	Type and number of shares	
		Type of shares	Number of shares
China Southern Air Holding Company Limited	8,600,897,508	RMB ordinary shares	8,600,897,508
Nan Lung Holding Limited	2,612,124,036	Overseas-listed foreign shares	2,612,124,036
HKSCC Nominees Limited	1,751,174,587	Overseas-listed foreign shares	1,751,174,587
Hong Kong Securities Clearing Company Limited	584,486,673	RMB ordinary shares	584,486,673
China Securities Finance Corporation Limited	320,484,148	RMB ordinary shares	320,484,148
American Airlines, Inc.	270,606,272	Overseas-listed foreign shares	270,606,272
China National Aviation Fuel Group Limited	261,685,354	RMB ordinary shares	261,685,354
Spring Airlines Co., Ltd.	140,531,561	RMB ordinary shares	140,531,561
Industrial and Commercial Bank of China Limited– Huatai PineBridge CSI 300 Traded Open-end Index Securities Investment Fund	88,330,949	RMB ordinary shares	88,330,949
China Construction Bank Corporation – E FUND CSI 300 Trading Open Index Sponsored Securities Investment Fund	61,810,822	RMB ordinary shares	61,810,822
Explanation of the related party relationship or concert party relationship of the above shareholders	China Southern Air Holding Company Limited held in aggregate 2,648,836,036 H shares of the Company through its wholly-owned subsidiaries in Hong Kong, namely Nan Lung Holding Limited and Perfect Lines (Hong Kong) Limited. The Company is not aware of any other related party relationship between other shareholders.		
Explanation on the top ten shareholders and the top ten shareholders not subject to trading restrictions who have participated in the business of margin financing and securities lending and margin refinancing (if any)	Not applicable		

III. IMPORTANT INFORMATION

Other important information related to the Company's business performance during the reporting period should be brought to the attention of the investors

☒ Applicable ☐ Not applicable

Status on the guarantees provided to the SPVs of the Company as of the date of this report:

No.	Established SPVs	Actually Provided (Yes/No)	Guaranteed Amount (US\$100 million)
1	China Southern Airlines No. 1	Yes	1.50
2	China Southern Airlines No. 2	Yes	1.40
3	China Southern Airlines No. 3	Yes	3.28
4	China Southern Airlines No. 5	Yes	0.92
5	China Southern Airlines No. 9	Yes	5.88
6	China Southern Airlines No. 10	Yes	5.17
7	China Southern Airlines No. 11	Yes	2.98
8	China Southern Airlines No. 15	Yes	3.11
9	China Southern Airlines No. 16	Yes	5.26
10	China Southern Airlines No. 18	Yes	2.50
11	China Southern Airlines No. 19	Yes	0.51
12	China Southern Airlines No. 20	Yes	0.51
13	China Southern Airlines No. 21	Yes	0.48
14	China Southern Airlines No. 22	Yes	0.48
15	China Southern Airlines No. 23	Yes	0.48
16	China Southern Airlines No. 25	Yes	2.04
17	China Southern Airlines No. 26	Yes	4.73
18	Chongqing Airlines No.1	Yes	3.52
19	Chongqing Airlines No.2	Yes	0.32
20	Xiamen Airlines No.1	Yes	0.64

No.	Established SPVs	Actually Provided (Yes/No)	Guaranteed Amount (US\$100 million)
21	Xiamen Airlines No.2	Yes	0.10
22	Xiamen Airlines No.3	Yes	0.10
23	Xiamen Airlines No.4	Yes	0.19
24	Xiamen Airlines No.5	Yes	0.19
25	Xiamen Airlines No.7	Yes	0.11
26	Xiamen Airlines No.8	Yes	0.19
27	Xiamen Airlines No.9	Yes	0.19
28	Xiamen Airlines No.10	Yes	0.19
29	Xiamen Airlines No.11	Yes	0.19
30	Xiamen Airlines No.12	Yes	0.08
31	Xiamen Airlines No.13	Yes	0.19
32	Xiamen Airlines No.14	Yes	0.14
33	Xiamen Airlines No.15	Yes	0.15
34	Xiamen Airlines No.18	Yes	0.66
Total	/	/	48.38
Note	<p><i>During the reporting period, the aircraft leasing structure corresponding to Xiamen Airlines No.6 changed, and the corresponding guarantee liability of US\$20 million was released, as the leased engine under Xiamen Airlines No.16 was due for cancellation, and the corresponding guarantee liabilities of US\$12 million was released.</i></p> <p><i>The total guarantee amounts actually provided for the aforementioned 34 SPVs by the Company and its subsidiaries, i.e. Xiamen Airlines and Chongqing Airlines, are US\$4.838 billion (equivalent to approximately RMB34.728 billion, calculated based on the Renminbi central parity rate of US\$1=RMB7.1782 published by the People's Bank of China on 31 March 2025), which are within the scope of the authorized guarantee amount approved by the general meeting of the Company.</i></p>		

IV. QUARTERLY FINANCIAL STATEMENTS

(I) Type of audit opinion

☐ Applicable ☒ Not applicable

(II) Financial statements

Consolidated Balance Sheet

As at 31 March 2025

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	31 March 2025	31 December 2024
Current assets:		
Cash at bank and on hand	14,477	15,994
Settlement provisions		
Loans to banks and other financial institutions		
Financial assets held for trading	1,885	2,695
Derivative financial assets		
Bills receivable		
Accounts receivable	3,431	3,463
Receivables financing		
Prepayments	870	819
Premiums receivable		
Reinsurance accounts receivable		
Reinsurance contract reserves receivable		
Other receivables	3,307	3,095
Including: Interest receivable		
Dividends receivable	4	9

Items	31 March 2025	31 December 2024
Financial assets purchased with agreement to resale		
Inventories	2,171	2,002
Including: Data resources		
Contract assets		
Assets held for sale		
Non-current assets due within one year	178	178
Other current assets	8,734	9,397
Total current assets	35,053	37,643
Non-current assets:		
Loans and advances		
Debt investments		
Other debt investments		
Long-term receivables	336	381
Long-term equity investments	7,418	7,168
Investments in other equity instruments	431	431
Other non-current financial assets	2,827	2,807
Investment properties	558	564
Fixed assets	103,625	100,691
Construction in progress	30,028	34,584
Productive biological assets		
Oil and gas assets		
Right-of-use assets	127,510	123,023
Intangible assets	7,675	7,341
Including: Data resources		
Development expenses		
Including: Data resources		
Goodwill		
Long-term deferred expenses	393	462
Deferred tax assets	12,800	12,873

Items	31 March 2025	31 December 2024
Other non-current assets	1,589	1,770
Total non-current assets	295,190	292,095
Total assets	330,243	329,738
Current liabilities:		
Short-term loans	38,843	40,440
Borrowings from the central bank		
Loans from other banks		
Held-for-trading financial liabilities		
Derivative financial liabilities	534	908
Bills payable	1,039	1,089
Accounts payable	18,535	18,490
Advance payments received	6,204	9,295
Contract liabilities	1,779	1,749
Funds from selling out and repurchasing financial assets		
Receipts of deposits and deposits from other banks		
Accounts payable to brokerage customers		
Proceeds from underwriting securities received on behalf of customers		
Employee benefits payable	3,275	4,716
Taxes payable	506	1,095
Other payables	8,293	8,644
Including: Interest payable		
Dividends payable	1	1
Fees and commissions payable		
Reinsurance accounts payable		
Liabilities held for sale		
Non-current liabilities due within one year	29,853	35,457
Other current liabilities	27,299	16,519
Total current liabilities	136,160	138,402
Non-current liabilities:		

Items	31 March 2025	31 December 2024
Reserves for insurance contracts		
Long-term loans	36,394	35,985
Debentures payable	20,885	20,885
Including: Preferred shares		
Perpetual bonds		
Lease liabilities	76,557	74,154
Long-term payables	7	7
Long-term salaries payable		
Accrued liabilities		
Deferred income	774	720
Deferred tax liabilities	22	7
Other non-current liabilities	7,218	6,983
Total non-current liabilities	141,857	138,741
Total liabilities	278,017	277,143
Owners' equity (or shareholders' equity):		
Share capital (or issued capital)	18,121	18,121
Other equity instruments		
Including: Preferred shares		
Perpetual bonds		
Capital reserve	52,444	52,444
Less: Inventory shares		
Other comprehensive income	169	169
Specific reserve		
Surplus reserve	2,579	2,579
General risk reserve		
Retained earnings	-39,331	-38,584
Total equity attributable to owners of the parent company (or shareholders of the Company)	33,982	34,729
Non-controlling interests	18,244	17,866

Items	31 March 2025	31 December 2024
Total owners' equity (or shareholders' equity)	52,226	52,595
Total liabilities and owners' equity (or shareholders' equity)	330,243	329,738

*Responsible person of
the Company:*

Ma Xu Lun

*Responsible person of the
accounting of the Company:*

Chen Dong

*Responsible person
of the accounting
department:*

Mao Juan

Consolidated Income Statement
For the three months ended 31 March 2025

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	Three months ended 31 March 2025	Three months ended 31 March 2024
I. Total revenue	43,407	44,601
Including: Operating income	43,407	44,601
Interest income		
Premiums earned		
Fees and commissions income		
II. Total operating costs	44,225	44,147
Including: Cost of sales	39,725	39,725
Interest expense		
Fees and commissions expense		
Surrender payment		
Net payment for insurance claim		
Net provisions for insurance liability		
Expenditure for insurance policy dividend		
Reinsurance costs		
Taxes and surcharges	139	130
Selling and distribution expenses	1,798	1,618
General and administrative expenses	1,078	1,001
Research and development expenses	160	134
Financial expenses	1,325	1,539
Including: Interest expenses	1,317	1,480
Interest income	108	62

Items	Three months ended 31 March 2025	Three months ended 31 March 2024
Add: Other income	1,006	767
Investment income ("–" for losses)	-683	146
Including: Income from investment in associates and joint ventures	-683	135
Derecognition of income from financial assets at amortised cost		
Exchange gain ("–" for losses)		
Gain arising from net exposure hedge ("–" for losses)		
Gains from changes in fair value ("–" for losses)	412	73
Credit losses ("–" for losses)		
Impairment losses on assets ("–" for losses)		
Gains from asset disposals ("–" for losses)	14	79
III. Operating profit ("–" for losses)	-69	1,519
Add: Non-operating income	120	83
Less: Non-operating expenses	18	19
IV. Profit before income tax("–"for loss)	33	1,583
Less: Income tax expenses	402	327

Items	Three months ended 31 March 2025	Three months ended 31 March 2024
V. Net profit for the year (“-” for net loss)	-369	1,256
(I) Net profit classified by continuity of operations:		
1. Net profit from continuing operations (“-” for net losses)	-369	1,256
2. Net profit from discontinued operations (“-” for net losses)		
(II) Net profit classified by ownership:		
1. Net profit attributable to shareholders of the Company (“-” for net losses)	-747	756
2. Non-controlling interests (“-” for net losses)	378	500
VI. Other comprehensive income, net of tax		
(I) Other comprehensive income (net of tax) attributable to shareholders of the Company		
1. Items that will not be reclassified to profit or loss		
(1) Change in defined benefit plans arising from re-measurement		
(2) Equity-accounted investees – share of other comprehensive income (non-recycling)		
(3) Changes in fair value of other equity instruments		
(4) Change in fair value of the Company’s own credit risk		
2. Items that may be reclassified subsequently to profit or loss		
(1) Equity-accounted investees-share of other comprehensive income (recycling)		
(2) Change in fair value of other debt investments		

Items	Three months ended 31 March 2025	Three months ended 31 March 2024
(3) Financial assets reclassified into other comprehensive income		
(4) Provision for credit impairment of other debt investments		
(5) Cash flow hedge		
(6) Translation differences arising on translation of foreign currency financial statements		
(7) Others		
(II) Other comprehensive income (net of tax) attributable to non-controlling interests		
VII. Total comprehensive income	-369	1256
(I) Attributable to shareholders of the Company	-747	756
(II) Attributable to non-controlling interests	378	500
VIII. Earnings per share:		
(I) Basic earnings per share (<i>RMB/share</i>)	-0.04	0.04
(II) Diluted earnings per share (<i>RMB/share</i>)	-0.05	0.04

*Responsible person of
the Company:*

Ma Xu Lun

*Responsible person of the
accounting of the Company:*

Chen Dong

*Responsible person
of the accounting
department:*

Mao Juan

Consolidated Cash Flow Statement
For the three months ended 31 March 2025

Prepared by: China Southern Airlines Company Limited

Unit: Million Currency: RMB Audit type: Unaudited

Items	Three months ended 31 March 2025	Three months ended 31 March 2024
I. Cash flows from operating activities:		
Proceeds from sale of goods and rendering of services	45,992	48,341
Net increase in customer and interbank deposits		
Net increase in borrowings from the central bank		
Net cash increase in placements from other financial institutions		
Cash received from premiums under original insurance contracts		
Net cash received from reinsurance business		
Net increase in deposits of policy holders and investment funds		
Cash received from interest, fees and commissions		
Net increase in capital due to banks and other financial institutions		
Net increase in cash received from repurchase business		
Net cash received by agents for trading in securities		
Refund of taxes	136	49
Proceeds from other operating activities	913	1,529
Sub-total of cash inflows from operating activities	47,041	49,919
Payment for goods and services	30,733	29,042
Net increase in customer loans and advances to customers		
Net increase in deposits in the central bank and interbank deposits		
Cash paid for compensation payments under original insurance contracts		
Net increase in placements with banks and other financial institutions		
Cash paid for interest, fees and commissions		
Cash paid for insurance policy dividend		

Items	Three months ended 31 March 2025	Three months ended 31 March 2024
Payment to and for employees	10,447	9,919
Payment of various taxes	1,271	1,088
Payment for other operating activities	158	93
Sub-total of cash outflows from operating activities	42,609	40,142
Net cash flows generated from operating activities	4,432	9,777
II. Cash flows from investing activities:		
Proceeds from disposal of investments	1,341	30
Investment returns received	8	16
Net proceeds from disposal of fixed assets, intangible assets and other long-term assets	93	209
Net cash received from disposal of subsidiaries and other operating units		
Proceeds from other investing activities	100	72
Sub-total of cash inflows from investing activities	1,542	327
Payment for acquisition of fixed assets, intangible assets and other long-term assets	2,708	3,551
Payment for acquisition of investments	1,031	425
Net increase in secured loans		
Net cash paid for acquisition of subsidiaries and other operating units		
Other cash paid relating to investing activities		
Sub-total of cash outflows from investing activities	3,739	3,976
Net cash flows used in investing activities	-2,197	-3,649
III. Cash flows from financing activities:		
Proceeds from investors		
Including: Investment received from non-controlling interests		
Proceeds from borrowings	10,166	5,870
Proceeds from other financing activities	11,865	1,506
Sub-total of cash inflows from financing activities	22,031	7,376

Items	Three months ended 31 March 2025	Three months ended 31 March 2024
Repayments of borrowings	24,032	11,873
Payment for dividends or interest	1,289	1,433
Including: Dividends and profits paid to non-controlling shareholders of subsidiaries		
Payment for other financing activities	36	41
Sub-total of cash outflows from financing activities	25,357	13,347
Net cash flows used in financing activities	-3,326	-5,971
IV. Effect of foreign exchange rate changes on cash and cash equivalents	-1	4
V. Net increase in cash and cash equivalents	-1,092	161
Add: Cash and cash equivalents at the beginning of the period	12,984	9,531
VI. Cash and cash equivalents at the end of the period	11,892	9,692

*Responsible person of
the Company:*

Ma Xu Lun

*Responsible person of the
accounting of the Company:*

Chen Dong

*Responsible person
of the accounting
department:*

Mao Juan

(III) Adjustment to relevant items of the financial statements at the beginning of the first adoption year due to the first adoption of new accounting standard or interpretation of accounting standard in 2025

☐ Applicable ☒ Not applicable

By order of the Board
China Southern Airlines Company Limited
Chen Wei Hua and Liu Wei
Joint Company Secretaries

Guangzhou, the People's Republic of China
29 April 2025

As at the date of this announcement, the Directors include Ma Xu Lun and Han Wen Sheng as executive Directors; and Pansy Catilina Chiu King Ho, Guo Wei and Zhang Jun Sheng as independent non-executive Directors.